



First Time Homebuyer Program Mortgage Credit Certificate Election Form

The Dakota County CDA offers a Mortgage Credit Certificate (MCC) to homebuyers through its First Time Homebuyer Program. The Mortgage Credit Certificate is provided through IRS regulations that allow the homeowner to use a percentage of the interest paid on their first mortgage as a credit against their Federal tax liability each year. This benefit is capped at \$2,000 per year and can be used every year over the entire life of their first mortgage- up to 30 years- as long as the home remains the principal residence of the homeowner. The maximum MCC benefit to a homeowner is \$60,000 in Federal tax credits over the course of a 30-year first mortgage loan.

All homebuyers must sign the statement below, acknowledging they have spoken with their loan officer about the option of receiving a MCC and confirming whether they intend to receive this benefit. The MCC must be reserved by the loan officer prior to the loan closing, according to the process outlined in the program Administrative Guidelines for lenders. There is a fee to receive the MCC, which will be charged with the closing costs of the associated first mortgage loan. The fee is a \$175 compliance fee for MCCs associated with a Dakota County CDA program first mortgage or \$275 compliance fee plus 1% of the purchase price admin fee for stand-alone MCCs.

Homebuyers are welcome to contact the Dakota County CDA directly for additional information about the Mortgage Credit Certificate at slarson@dakotacda.state.mn.us or 651-675-4472.

Mortgage Credit Certificate Election:

I/we acknowledge that we have had the opportunity to learn about the benefits of the optional Mortgage Credit Certificate, including reviewing the Give Yourself Credit! Mortgage Credit Certificate Flyer. I/we choose:

- Yes, to receive the Mortgage Credit Certificate
- No, not to receive the Mortgage Credit Certificate

Borrower

Date

Co-Borrower

Date